Lifetime: cable service aims for power through partnership

Consolidation of Cable Health Network and Daytime gives service 12 million homes at launch, numbers that interest advertisers, says service; by 1985; joint venture expects to be profitable

First, there was Daytime; then there was the Cable Health Network.

Now there is neither, but in their place has arisen the cable network, Lifetime, combining what executives involved believe are the most popular program elements from the two previous advertiser-supported services which could not survive on a stand-alone basis.

And that consolidation of resources, among Hearst Corp. and ABC, which operated Daytime, and Viacom, the principal backer behind CHN, is what Lifetime executives point to first in explaining why they think two essentially unchanged program concepts can work in merged form. "We've combined the resources of three very large companies who are very much behind us," said Arthur Cooper, vice president, chief financial officer and acting head of Lifetime, until a president and chief operating officer is named. "We have a staff of very seasoned veterans," he added, most of whom came from Daytime and CHN ranks. Also, Cooper contends, "we have a concept we know can work," based on the positive response Lifetime has received from advertisers and cable operators.

Lifetime went into business Feb. 1 with just over 16 million homes in its cable household universe, and, helped largely by the signing of the Cox Cable system in San Diego with about 225,000 subscribers, the network has already expanded its reach to more than 16.5 million homes.

"We're on target with the number of affiliates we wanted [as well as] with our business plan," said Cooper. But he refused to back up the latter contention with any advertising sales or sales projection figures. The only projection the network is willing to disclose at this time is that it will be profitable by the end of 1985.

Lifetime executives cite several reasons why operators have been attracted to the new service, perhaps the most obvious being that it's offered free, although, Cooper admits, that could change if business doesn't develop according to the current plan. The decision to impose carriage fees, he said, would depend "on a lot of things," with advertising sales certainly one consideration.

In one sense, notes Don Andersson, Lifetime's vice president, affiliate relations, the merger was of particular benefit to Daytime. That service, geared primarily to women, was only on four hours a day, and generally transmitted on a channel with one or more other services. "The affiliates like the merger," says Andersson, because in its previous life "you couldn't identify [Daytime] with enough promotion to make it a really targeted vehicle. Now it has a set place on the dial within the framework of an overall network."

One other positive attribute of the network is its ability to approach advertisers with a household universe of more than 16 million already in tow. "It's a lot tougher to convince advertisers of your value when you only have two million [households]," said David Moore, Lifetime vice president, advertising.

Moore said the network has succeeded in holding on to all the advertisers who had previously bought time on either Daytime or CHN and that his staff was adding "a couple of new advertisers every week," with a current total of more than 75. On average, a spot on Lifetime costs about $500.

The Lifetime advertising sales strategy uses a two-pronged approach, explained Moore. "Any time anybody buys cable television, they're supplementing network television [buys]," he said. But there is a second and perhaps just as important reason for buying cable: "The ability to target a select audience that has been determined by the advertiser as most likely to buy his product." Thus, in addition to the standard cost-per-thousand sales pitch that all advertisers are accustomed to, and most comfortable with, Lifetime also uses in many instances a "cost-per-user" pitch, which attempts to show the advertiser he can reach those who are most likely to buy his products for less cost by purchasing time for particular Lifetime programs.

As an example, Moore cited the Lifetime program, *What Every Baby Knows*, which draws an audience 80% composed of young mothers. The CPM for such a program might be a bit higher than network television, said Moore, but the cost-per-user (CPU) is significantly lower, perhaps $6.50, compared with the $20 (daytime) to $50 (prime time) CPU's for network television.

As for programing on Lifetime, the network's vice president in charge of that department, Mary Alice Dwyer-Dobbin, says, "What we tried to do with the program schedule itself was to put in programs directed toward the largest type of audience available during the daypart." Thus, daytime programing is directed largely to the homemaker; early-morning and early-evening program fare is aimed at working women, and prime time material is targeted predominantly to couples.

About half of the network's program content is produced in-house, with the other half being produced by, among others, companies such as Tomorrow Entertainment (which produces the syndicated *Body Human* and *Life Line* programs and, for Lifetime, *What Every Baby Knows*) and King Features (which produces Lifetime's *Good Housekeeping: A Better Way)*.

Among the more unusual programs on the network are several hours of weekly fare targeted to health care professionals such as doctors, nurses and physical therapists. That programing, originally developed at CHN, is transmitted over the main network to cable systems as well as directly to hospitals via satellite master antenna television systems.

Because Lifetime has a 16-million-household universe, it is eligible for measurement by Nielsen, and will be measured from its launch date. Its first report, covering February and March (succeeding reports will be quarterly) should be ready some time in the second quarter. Those ratings should, in part at least, fuel or dispel the belief that the Daytime and CHN program concepts can thrive in the cable marketplace as a single Lifetime network. □

November local TV sweeps: too close to call between ABC, CBS

In market-by-market reports, ABC says its affiliates delivered most homes; CBS says it was winner; each network uses slightly different data

The prime time race for first place in the November 1983 local TV sweeps measurements proved to be so close—once again—that different networks computed the outcome differently ("Closed Circuit," Jan. 23).

ABC's tally of the Arbitron Co.'s market-by-market reports puts ABC affiliates in first place—barely. CBS's Arbitron tally puts CBS affiliates first—even more barely.

By ABC's count, ABC affiliates delivered 15,355,000 homes per average quarter hour, CBS affiliates delivered 15,179,000 and NBC affiliates delivered 12,738,000.

By CBS's count, CBS affiliates delivered 15,180,000, ABC affiliates 15,112,000 and NBC affiliates 12,343,000.

Researchers at both networks were counting only "pure" network programing, meaning that they excluded all local programs that appeared in prime time. But their methodologies differed somewhat.

The main known difference was in the treatment of prime time programs that ex-